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possible care is being taken to rectify the defects in the administration of the tax. Compared to the revenue derived from the tax, this Demand for expenditure is very small. If I have given convincing arguments and assurances for the future, I would request the hon. Mover of the cut motion to withdraw the cut motion and support the Demand and pass it."

SRI K. VINAYAKAM:—"Without meaning any offence to the Cabinet, and in view of the unsatisfactory response from the Cabinet including the Father of the Sales Tax to my request of waiving the tax on foodstuffs, I see no reason why I should withdraw the cut motion."

MR. SPEAKER:—"I am now going to put the cut motion standing in the name of the hon. Member Sri K. Vinayakam to the vote of the House. The question is—

'That the allotment of Rs. 1,55,43,000 for General Sales Tax and Other Taxes and Duties be reduced by Rs. 100.'"

The cut motion was lost.

MR. SPEAKER:—"I shall now put the Demand to the vote of the House. The question is—

'That the Government be granted a sum not exceeding Rs. 1,55,43,000 under Demand VII—General Sales Tax and Other Taxes and Duties.'"

The Demand was carried and the Grant was made.

## (2) DEMAND XX—CO-OPERATION.

\* THE HON. SRI D. SANJIVAYYA:—"Mr. Speaker, Sir, on the recommendation of His Excellency the Governor, I move—

*'That the Government be granted a sum not exceeding Rs. 77,81,200 under Demand XX—Co-operation.'*

"While moving this Demand, Sir, it is my duty to inform the House that this Demand covers the expenditure on five items. The first item is the salaries of the Registrar of Co-operative Societies, Joint Registrars, the Personal Assistant to the Registrar and the staff under them. The second item is the salaries of the staff employed for the work of auditing, supervision, liquidation and execution. The third item—a very interesting item—is for the ameliorative work in connexion with Prohibition. The fourth item relates to expenditure on Post-war Welfare Schemes like the Fishermen Welfare Scheme and the establishment of co-operative workshops for ex-army personnel. The fifth item relates to grants and subsidies to be given by Government to deserving co-operative societies. I have stated these because I want that hon. Members of this House while levelling criticisms should confine themselves to these items only and not to any other item. There is a likelihood of Members committing the mistake of thinking that house-building co-operative societies come under this Demand. It comes under Demand XLII probably to be moved by my Colleague the Hon. the Finance Minister.

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1-10 p.m. " Sir, having stated this, let me make a few general remarks about the co-operative movement. Co-operation is a very popular movement in our country. This movement contributes a great deal to the nation-building activities. Madras stands foremost among the States of this country in the matter of development of this movement. In Madras this movement has developed to a very large extent. The working capital of all the co-operative institutions is well over Rs. 85 crores which is more than the total revenue of this State. Co-operative movement in this State has developed in two directions, the credit side and the non-credit side. Let me first deal with the credit side. This again can be divided into two categories, long-term credit and short-term credit. Short-term credit is handled by institutions like the State Co-operative Bank, District Central Banks, urban banks and rural credit societies. The All-India Co-operative Planning Committee made a recommendation to this Government a few years ago to expand the rural credit system. The Government accepted the recommendation and, in pursuance of it, initiated the policy of *expansion* of the rural credit system in 1949. The main objectives of the policy are—

(1) to increase the number of societies so as to cover 50 per cent of the villages and 30 per cent of the population, and

(2) to reorganize rural credit societies into multi-purpose societies so that they may cater to the varied economic needs of their members.

In 1949 the rural credit system covered 40 per cent of the villages and 13 per cent of the population. Three years later, it covers 65 per cent of the villages and about 18 per cent of the population. In this respect, I feel that good progress has been made. With regard to reorganization into multi-purpose co-operative societies, out of about 16,000 rural credit societies, about 13,000 have been reorganized into multi-purpose co-operative societies.

"et Let me turn to long-term credit. Long-term credit is handed by the Central Land Mortgage Bank in Madras and about 129 primary land mortgage banks spread all over the State. The Central Land Mortgage Bank has a working capital of more than Rs. 5 crores, which is about 82 per cent of the total working capital of all the five Central Land Mortgage Banks in India. The Central Land Mortgage Bank has been progressing very well. Recently, due to the prevalence of drought conditions in many districts of the State, the borrowers from the various primary banks in those areas requested the Government to give extension of time for the payment of instalments. The Government granted a loan of Rs. 5 lakhs to the Central Land Mortgage Bank so that extension of time might be given to the borrowers in the drought-affected areas. A similar request was made on behalf of the borrowers from rural credit societies. This request could not be complied with on account of the fact that the loans were short-term loans and the amount of each instalment was not too much.

" On the non-credit side, the movement has made excellent, splendid and marvellous progress. Various kinds of societies are

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there like marketing societies, co-operative farming societies, weavers' societies, fishermen's societies, societies for Harijans, stores societies, producers-cum-consumers societies and societies for palm jaggery manufacture. Let me say a few words about the stores movement. Some of the stores are wholesale stores and some are primary stores. These stores came into existence after the advent of the War. There was scarcity of essential commodities and whatever quantity was available had to be distributed equitably. I will be failing in my duty if I do not extend my grateful thanks to those societies which rendered yeoman service during the last ten years. After the decontrol of foodgrains, the stores societies think that they have a gloomy future. On the 15th of July 1952, there was a conference of the representatives of these societies at which resolutions were passed suggesting the ways as to how best the societies could be successfully continued. The resolutions are before the Government and no decision has yet been taken. I assure the House that the Government will give their earnest consideration to those resolutions and suggestions and see that no injustice or undue loss is caused to those societies.

“ Let me come to the producers-cum-consumers co-operative societies. These societies were introduced for the first time in Malabar district in 1946. Later on, the system was extended to the coastal Andhra districts of, I think, East Godavari, West Godavari, Krishna and Guntur. Unfortunately these societies did not function well in that area. Therefore, a committee was appointed under the chairmanship of the late Sri T. A. Ramalingam Chettiar, a veteran co-operator of South India, to go into this question. The committee carefully examined the situation and recommended that the producers-cum-consumers societies should be converted into approved types of societies and handed over to the Co-operative department. In pursuance of that recommendation, out of 168 societies, 127 have been reorganized and handed over to the Co-operative department. The rest of the societies were liquidated on the specific request of the share-holders. But the producers-cum-consumers societies have functioned really creditably in the district of Malabar. They are still in existence there. They are about 107 in number. They are not under the control of the Registrar of Co-operative Societies, but are under the administrative control of the Collector of Malabar, who is vested with all the powers of the Registrar under the Co-operative Societies Act. There again, difficulty has arisen in regard to the future of these societies on account of derationing and decontrol of foodgrains. The matter is engaging the attention of the Government, and they will certainly go to their rescue.

1-20  
p.m.

“ Let me say a word about the weavers' co-operative societies. There are 1,017 primary weavers' co-operative societies in this State of Madras. They have a central organization here known as the 'State Handloom Weavers' Co-operative Society, Limited.' The benefits that the handloom weavers get on account of their membership in these societies are many. For instance, in regard



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to the question of getting allotment of yarn, the members of these societies get 20 per cent more than those who are non-members. The progress of these societies can really be judged from the fact that they have been able, rather they have gained the strength which is sufficient for them, to establish or install a co-operative spinning mill in Guntakal. They have also decided to set up a similar mill somewhere in the south. So, I have absolutely no doubt that the co-operative movement has done a great deal for these weavers.

“ Before I conclude, let me say a word about cottage industries. Members belonging to the Scheduled Castes and Scheduled Tribes and members belonging to the backward communities feel that certain industries or professions are the monopoly of those communities. For instance, the Madigas in Andhra or the Chakkiliyars in Tamilnad have the cottage industry of tanning as their monopoly. No man in the State belonging to any other community is employed on this work. They feel that the Government should organize such societies and give them proper help. In this connexion, I should say that last year a sum of Rs. 45,000 was placed at the disposal of the Registrar to be given as subsidies to the societies of this cottage industry. I understand that a sum of about Rs. 23,000 has already been given away. The remainder would, of course, be utilized, this year. In addition to this, in the budget estimate of this year, we have made provision for Rs. 30,000 to be granted as loans to the societies of this cottage industry.

“ With regard to amelioration of ex-tappers, I really feel proud that this branch of the department has done praiseworthy work. The department has established 2,080 palm gur manufacture societies and has employed 1.71 lakhs of ex-tappers. There is a *scheme* called the palm gur development scheme. Under that scheme instructors are sent to impart training to these ex-tappers in improved methods of palm gur manufacture.

“ Sir, I am aware of the fact that the time allotted for this Demand is only two hours, and there are many hon. Members who are enthusiastic about taking part in the discussion on this Demand. I do not propose to take much of the time of the House. I think I have dealt with the salient points succinctly.

“ Before I conclude, I request you and the House to pardon me for any shortcomings on my part, as this is my maiden speech in this House. Thank you, Sir.” (Cheers.)

Mr. SPEAKER:—“ Motion moved—

‘ That the Government be granted a sum not exceeding Rs. 77,81,200 under Demand XX—Co-operation.’

I wish to know from the hon. Member Mr. Anthony Pillai whether he is formally moving his cut motion, or whether he intends to speak after moving the cut motion. If he wants to speak, he may move his cut motion now, and speak in the afternoon (after lunch). ”



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SRI S. C. C. ANTHONY PILLAI :—“ Sir, I am moving my cut motion formally. I request you to allow the hon. Member Dr. K. B. Menon to speak in the afternoon. Sir, I move—

*‘ That the allotment of Rs. 77,81,200 for Co-operation be reduced by Rs. 100. ’* ”

MR. SPEAKER :—“ Motion moved—

*‘ That the allotment of Rs. 77,81,200 for Co-operation be reduced by Rs. 100. ’*

The discussion on the main motion and the cut motion will commence after lunch. The House will now rise and meet at 2-30 p.m.”

(After lunch—2-30 p.m.)

\* DR. K. B. MENON :—“ Mr. Speaker, Sir, I wish to place before the House my criticism of the co-operative movement in the Madras State. While my criticism is general, my facts are almost exclusively drawn from my experiences in Malabar. That does not mean that I am not familiar with the working of the co-operative movement in places outside Malabar. I have with me reports of the working of the co-operative movement in other parts of the State also but those materials are undigested, as far as I am concerned, and I do not want facts about which I have no experience to go into record. Therefore, I shall draw my facts from Malabar only.

“ I appreciate and understand the enthusiasm and the eloquence of the young Minister with regard to his department. But I wish to submit that he has been in the saddle only for a short time and that he has not had time to hear the skeleton in the cupboard rattle. I am not going to rattle the whole skeleton nor have I the time to do it. But I shall place some of the facts before the Hon. Minister and whatever facts I place are the heritage of the last Ministry. The sins of the father should never be visited on the son but the son may correct them, as far as possible.

“ Sir, great hopes were raised when the Prakasam Ministry in 1946-47 made a gift of the producer-cum-consumer co-operative societies to Malabar. Those were hey-days of the Congress when Congressmen carried a great deal of goodwill with them and wherever they went, they were received well. When these societies were started, these Congressmen rushed into the market, cornered shares, tried to monopolise them, control them and run them. Fortune favoured them because those were rationing days. Rationing was handed over to the producers-cum-consumers co-operative societies and the producers-cum-consumers co-operative societies became fabulously rich. With the increase in the wealth of the co-operative societies, they began increasingly to reflect the mounting corruption, demoralisation and degradation in the country. These co-operatives became corrupt and all conceivable methods—some of them even unknown in the annals of crime—were used by them for selfish gains. False weights and measures were

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used, false cards were substituted, rice and other things that were brought into the co-operative societies for distribution were adulterated, and there were a number of things done in order to cheat the public. Very much worse than this was the large scale embezzlement of the funds of the co-operative societies by Presidents and Secretaries of those producers-cum-consumers. I have not with me figures of the last three or four years, but I have figures with me of the embezzlements that have taken place since last May, and I wish to place those figures before the Assembly. The following are the figures of embezzlements that have taken place :—

|                                      | RS.      |                                             |
|--------------------------------------|----------|---------------------------------------------|
| Eritty P.C.C. Society ..             | 51,000   |                                             |
| Pattambi P.C.C. Society ..           | 29,000   | (first week of May)                         |
| Urban Bank .. ..                     | 21,000   |                                             |
| Meenagadi P.C.C. Society (Wynaad) .. | 60,000   |                                             |
| Parali P.C.C. .. ..                  | 1,50,000 | (the society, I understand, is under audit) |
| Chalasseri (in 1948) P.C.C. ..       | 26,000   | (the Secretary is still absconding)         |
| Calicut P.C.C. .. ..                 | 500      |                                             |
| Chovva P.C.C. .. ..                  | 70,000   |                                             |

The figures are all correct, I believe, but I may be wrong in the dates, with regard to some of them. They may be checked. Now, I would like to know where the Registrar was, where the district authorities were, and where the persons in control were. These embezzlements have been going on for the last two, three, four years. Continuous embezzlement of public funds, I think, is inexcusable and the department should have taken care to see that these embezzlements are not repeated. The department is responsible to see that public money is not misappropriated, that the people are protected and that this kind of thing is not allowed to go on indefinitely. One can understand isolated cases of embezzlement in a few places, but this kind of thing continuously going on, I am afraid, shows the utter bankruptcy of the department. (At this stage, the Deputy Speaker occupied the Chair.)

2-40  
P.m.

“ I know there was a bifurcation of responsibility. Divided responsibility means no responsibility. In this case, I understand the responsibility has been divided between the Collector and the department and probably that must have been one of the contributory causes for these embazzlements. These things are still going on and the department has not found a way out of them. Just before I left Malabar for this session, there was a meeting at Kozhikode to discuss something that had happened in the Produce

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Sales Society, Wynaad, where bags were filled with sand at the rate of 10 pounds per bag and there was an estimated loss of Rs. 14,000. Such incidents are still going on even to-day. Why is it that the Government have not done anything? The department did not think of ways and means to check such incidents. I understand that the presidents and secretaries of most of these societies have no stake in these societies except the share they hold. That is my information. Why is it that sufficient security has not been demanded from them in order to prevent this kind of embezzlements? The secretaries and presidents running away with the money belonging to these societies has become a common feature in Malabar. The demoralisation is very great. That is one aspect of the problem which I wish to present before the House. I understand that there is the Collector's order asking these societies to demand securities from secretaries and cash-keepers, but that order is observed more in the breach. To cite only one example, since a co-operative society was started at Kuruvannur in 1947, none of the secretaries have paid the full security and the clerk who is working as cash-keeper, I understand, has not deposited any security at all. When the rules are so wantonly violated, how can one expect the societies to run smoothly? I think it is the responsibility of the department to ensure efficiency and cleanliness in administration and when these are not there, the department has to give the reason why it is so.

“The Hon. Minister said that the producers-cum-consumers co-operative societies in Malabar—to use his own word—were ‘functioning creditably’. I do not think I can express the same sentiment on the floor of the House, knowing as I do so much about the working of the co-operative societies in Malabar. Another factor that has contributed to the inefficiency of the co-operative societies in Malabar is probably the combination and concentration of various offices of various societies in one and the same person. I shall not go into details again, but I shall be satisfied with citing only one or two instances. The president of the Malabar Produce Sales Society is on the executive of the District Bank which is the financing bank of that society. He is also the President of the Wholesale Society, which also is financed by the District Bank. Then there is another gentleman who is on the executive of the District Bank, on the executive of the Co-operative Printing Works, on the executive of the milk society, on the executive of the Produce Sales Society, and I should say that there is no important executive in Malabar on which he is not a member. These are the persons who are called the fathers of the co-operative movement in Malabar. We must remember that they are also the fathers of corruption in the co-operative movement in Malabar. They monopolise the important places in most of the co-operative societies with the result that the co-operatives have become the happy hunting grounds in cities of industrialists and in the mufassal of feudal interests. Most of these persons who are occupying key positions in the various co-operatives are big businessmen and they control the whole co-operative movement and through these institutions they are able



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to divert trade and canalise finance and also direct business in such a way as to favour themselves and their friends. There are many other items of corruption which are going on and I do not think I have either the time or the wish to speak about them here. I know very many petty things that are going on and I think it is better that I do not say anything about them.

“ Yet another way in which corruption is encouraged in the co-operative societies in Malabar is through delaying the holding of annual general body meetings. These societies have become the exclusive preserve of a few. Membership is often refused and shares are not made available to others. I am not talking on this on a theoretical basis. I myself have had personal experience. I wanted to get into some of the societies, but I was refused a share. The refusal did not come in a categorical way saying that I would not be given a share. A copy of the resolution was forwarded to me saying that shares were not available and would be made available only to institutions and not individuals. Immediately I sent word to the president of the wholesale society and said that I would resort to law Court if a share was refused. The next day, shares were allotted to me. That is the way in which things are being carried on in these co-operative societies. They want to keep it the preserve of a favoured few. They do not like new blood to come in. It is after all a democratic movement, and everybody who wants to have shares in such societies must be allotted shares. There is some meaning in saying that shares will not be allotted to those who are mentally defective and to those who are bankrupt. To refuse shares to anybody on the ground that they are trouble-creators is very wrong. Anybody who opposes them is branded as trouble-creator. I think that is the definition that these presidents and secretaries of these co-operative societies give. It is most unfair.

“ I can quote another example and it is that of the Kuttipuram Co-operative Society which I wish to cite as a case in point. When I toured that place, I received complaints from many persons that shares were refused to them. I also understand that elections are postponed. According to the Constitution, it is imperative that election must be held every year. Some societies do not hold elections. They postpone elections indefinitely. The Kuttipuram society election is long overdue. I think I sent a note to the Collector on this matter. There was a case referred to adjudication in connexion with an election quarrel. At most of the meetings of these co-operative societies pandemonium breaks out and police have to intervene. The same is the case with many of the co-operative societies. In a society in Shoranur, a similar incident took place and the police, who intervened to restore order, arrested some Congressmen, who were, I think, later rescued by the Minister on a telephone call. These things are happening regularly in the co-operative societies. I do not know whether the Registrar of Co-operative Societies is aware of all these incidents and, if he is aware, I do not know whether he has taken any steps to make these meetings peaceful so that members could express

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their views freely. I think a dispute arising from one of the meetings in Kuttipuram society has been referred to adjudication and the D.S.O. has been consistently postponing adjudication though it is more than a year. Such incidents which are taking place in the co-operative societies must be put a stop to.

“ Lastly, about the method in which amendments to bye-laws are brought about in the societies in Malabar, I wish to say a few words. There is an amendment, which I was told, has been forwarded by the Registrar of Co-operative Societies for incorporation in the bye-laws of the societies in Malabar. In the first place, I do not know whether it is right on the part of the Registrar to send any amendments to be incorporated in the bye-laws. I know the procedure that is adopted in the passing of these bye-laws. These bye-laws are drafted and forwarded to the Registrar to see whether they are repugnant to the law of the land. After scrutiny, if he finds that they are not repugnant to the law of the land, they are placed before the meeting and passed at the meeting.

“ Instead, the Registrar seems to be taking upon himself the responsibility of initiating some of these bye-laws. I am speaking with authority on this subject, because it was my own personal experience. I would not have minded these amendments if the Registrar or his office thought over and were convinced that they were progressive, well-meant and conducive to the growth of the movement. I shall presently read out from the report of one of the societies in Malabar what kind of amendments were proposed by the Registrar and you can judge for yourself whether they were such as would help the movement. I was present at the annual meeting of the Co-operative Stores, Kozhikode, where the same kind of bye-laws were moved and I opposed them. In the Milk Society, they were introduced and passed by the casting vote of the President. Let me now read the amendment proposed by the Registrar:—

2-50  
p.m.

‘ Bye-law 18 C—No paid employee shall be a member, representative or officer of any association representing or purporting to represent non-official co-operative employees, unless such association satisfies the following conditions:—

(i) The association should be recognised by the Registrar of Co-operative Societies, Madras.

(ii) Membership of the association shall be confined to only the employees of co-operative institutions.

(iii) The activities of the association shall be confined to the betterment of the prospects of employment, service conditions, emoluments and the welfare of its members generally.

(iv) The association shall not be in any way connected with or affiliated to (a) any association which does not or (b) any federation of associations which does not satisfy condition (i).’

The last condition means that the federation or association should have been recognized by the Registrar of Co-operative Societies. It is obvious at whom this amendment is aimed. It is aimed at the trade union movement in our country. It is aimed at crippling the trade union movement. It is intended to prevent co-operative employees from joining unions that are not recognized by the Registrar. I am afraid the amendment contravenes Articles 19 (c) of the Constitution which gives every citizen of India the right of association. I do not know how the Registrar can prevent

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members of the staff of any co-operative society or store from joining associations which are not recognized by him. I know for certain that this is intended to cripple the trade unions. As I have said, I was one of the persons who fought against it and threw it out at one of the Stores' meetings in Kozhikode. If that is the way the co-operative movement is run and if that is the way the Registrar should interfere with the working of societies, I am sure the movement will fail. I shall read the very first sentence from the latest report of the Co-operative Registrar. The very first sentence is that the co-operative movement aims at establishing a new economic order. If this is the economic order that the movement proposes to establish, then I should despair of the future. If this is the new economic order that the Registrar proposes to inaugurate in this State, I certainly would not want that kind of economic order. I protest against the undue interference of the Registrar with these societies, an interference which is not conducive to the progress of the movement. It is an interference which is retrograde and reactionary and which retards the progress of the great movement. I am interested in the co-operative movement. It has a very great future and as the Hon. Minister has pointed out, it is a movement that deserves every support from the people and it is destined to play a very great role in the future of our country. Whether we are going to have a Co-operative Commonwealth which the Congress claims as its objective or whether we try to establish a Welfare State, the co-operative movement is bound to play an important role and unless and until we build up a healthy movement, we will not progress. The first and basic essential for the success of the movement is that it should be treated as a people's movement. That is what the co-operative movement is. If there is interference from above, frequent meddling, the movement will be crippled. That was why in British days, it was not a success. We expected, however, after we gained independence, that we would turn over a new leaf and that the Co-operative Department would really be the guide, friend and philosopher of the movement. But that has not happened. I hope that the Hon. Minister would take more interest in the movement and institute an enquiry, a searching enquiry, into the working of the "producer-cum-consumer societies in Malabar. I have first-hand knowledge of their working and I do not know much about other places. I hope he will institute an enquiry and see that the evils that are present in the movement are removed and that the movement makes a substantial contribution to the economic regeneration of Malabar."

\* SRI K. KRISHNA RAO:—"Mr. Deputy Speaker, Sir, we have a co-operative movement in Madras State and it is of significance not merely to Madras but also to the whole of India because there was a day when the co-operative movement in this State, more particularly in Andhra, was a democratic movement, a people's movement, where the Registrar and his retinue had absolutely no place except as, for example, a sub-registrar who simply registers. This is also the position in any other country."



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The trade union movement and the co-operative movement are twin movements; they are movements of the people and it is there that the fullest amount of democracy actually functions. But here, we have been seeing from 1940 onwards that whatever these people do only amounts to the murder of democracy. I wonder whether Hitler and Mussolini took their lessons from the Registrar of Co-operative Societies at Chepauk because in a corporate State, co-operatives have been made mere stooges of the ruling Nazi Government. I find that the same methods used by Hitler and Mussolini are exactly repeated by the Registrar. They are exactly a replica of the Hitlerian methods. One of my friends from China was telling me that he wondered whether these people were the Gurus of the Registrar or the Registrar was their Guru. Let us see how things have been going on with this movement. It is a very great movement. This is the opinion shared by very many people in our State. It was Dewan Bahadur Ramachandra Rao that said at the Co-operative Central Banks' Conference that the Co-operative Department was its Enemy No. 1. He said it was the Fifth Columnist against the co-operative movement. From the very beginning they have been saying and Mr. Wolf, who is an authority on this subject in India, was saying that the Co-operative Department had absolutely no place in the movement in India. Of course, the British Government were saying that we were backward and so we could not make much progress. But that was all propaganda and they said so in order to remain here for a few more years. Well, it was Mr. Ramachandra Rao and Mr. Audinarayana Chetty who said that the whole Department would be wound up by 1922 or so. In fact, they thought that the Co-operative Department would be wound up in 1924 or 1925. Mr. Wolf was also glad that they were preparing a non-official machinery for running the movement. We find in Rasipuram in Salem district a number of institutions, people's institutions, have been reared up with the sole purpose of running the movement under the guidance of Mr. Audinarayana Chetty and Ramachandra Rao. But our Ministers tell us that they took over all these powers from the British Government and the entire powers are now with the Department. What is the exact position to-day?

“The Hon. Minister was not ashamed to tell us of the dumping of co-operative officials in the year 1952, these unwanted men, on all societies. In the year 1952 the number of Deputy Registrars dumped is 20. It was just one in the year 1946. We have increased these fascist co-operators 20 times. The Sub-Registrars were 39 in number and it is 139 now which represents an increase of about 4 times. The Senior Inspectors' number has gone up to 624 from 67. It must be remembered that all these increases were made during the time our Hon. Ministers were in office and not during the regime of the Advisers. This is the way we are going, and removing the non-official element in co-operation. One of the ways by which Government have been crippling the movement is to have these stooges of the Government party in every co-operative society. In fact, they have installed in this Department the very

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system of nomination. Is this our ancient tradition, I ask? From the time of the Minto-Morley Reforms we have been saying that we should not have anything to do with nomination. We opposed the system of nomination to the District Boards, to the Municipalities and all that. Then our Friends would not like our Ministers to be nominated by Mr. Churchill. Now when they are put to the real test, they are nominating these officials in considerable numbers to the co-operative societies. The very reason that Hon. the Chief Minister had to seek nomination to the Council and then take charge of Government has introduced that principle into this Department, namely, to have nominations to these co-operative societies. Are we going to have Fascism, I ask?

“ Another point is this. Government in 1920 were saying that they were doing a lot of benefit to the co-operative movement, free registration, free audit, etc. The position then was, the Department was giving something to this movement. But now this movement furnishes a big revenue to the Government. They want thus to cripple the movement. Let me tell you that in 1939-40 the revenue derived from the co-operative movement was Rs. 3.84 lakhs. Would you believe me, Sir, when I say that today the revenue derived by the Department is Rs. 25.58 lakhs? The very laws of co-operation are violated. It is said that the Communists are lawless people. In fact, if lawlessness is the monopoly of anybody, it is that of the Registrar of Co-operative Societies.

“ Inspection, supervision, and education are the functions of the co-operative movement. Some of the hon. Members perhaps know the history of the co-operative movement. The Justice Party, which was afraid of the people's power, liquidated the Federations because they said this movement would be the focus of the people's liberation struggle. But what do these people who fought for the independence of the land do now? They tell us that the function of the Department is to supervise, inspect and educate, and they charge the societies for all these. I ask in all seriousness whether the Government are not violating the Constitution? Under Article 265 of the Constitution, the Government have no power to charge for these. They have no right to tax people unless they have an Act. The Co-operative Societies Act does not entitle the Government to tax for supervision, inspection and education, because they are not the functions of Government. The Department is doing another thing. They are taking over the management of societies into their hands on the ground that they are inefficiently managed. The people who run the societies are competent enough to elect legislators, to elect Ministers but they are considered to be inefficient to elect their own Directors. This is the kind of education that these people are giving. I would like to ask, what is the reason for all this? The Government want to afford shelter to the vested interests. Let us take the Co-operative Stores Movement. The one reason why the Registrar took over the functioning of the stores was, if it was entrusted to the Co-operative Central Banks, they would do it in a democratic way. Democracy is their biggest enemy, as also of the Hon. Sri

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Rajagopalachari. It is not Communists who are his enemies but it is democracy that is his enemy, though he might talk about God and all that. It is all bunkum, we know. What is it that they are doing with regard to the co-operative credit movement? We say that the irresponsible lender must be controlled by the borrower. Why do we say it? It is because debt slavery is the biggest of curses. Our freedom struggle began with a fight against debt slavery. The national movement for freedom began with the Santhal rebellion, the fight of the indigo ryots against debt slavery. The co-operative movement said: 'Let there be no irresponsible lending'. We said: 'Don't put shackles round every borrower. But do you know what is happening now? The Government are going on granting takkavi loans, well improvement loans, and all that. Do you know why? They want to keep the ruling party in power. Their theory is: 'Because I give you loan, I should be voted to power.' Mr. Chandramouli should be voted to power because he gives loans. But I ask, is it he that gives the loans? It is not his money or his grand-papa's money that he gives as loan. It is people's money. But we, ordinary people, rustics, are made to believe that it is his money that is given as loans. If he is voted to power, the people who elect him get loans. That is the way the Government do it now. Great co-operators like Messrs. Ramachandra Rao, Vedachala Iyer and Audinarayana Chettiar were saying that if the Government wanted to give takkavi loans, well improvement loans, etc., they must give these loans through the Co-operative Societies because they did not want any irresponsible lending. Debt is the biggest tyrant in the whole world. Actually the Government passed the Agriculturists' Debt Relief Act. Why is it a failure? Why is Prohibition a failure? Because they are not based on the democratic support of the people. Mr. Ramachandra Rao brought about Prohibition in Rasipuram area. In fact, there was no Prohibition Act at that time. How did he succeed? He brought about co-operation among people and told them that drinking was a bad thing. He organized a big movement of the people and so he succeeded. But our people now in power do not want such a movement to grow because the agricultural labourers may ask for more wages, and because wages meant touching the pockets of big zamindars. As they are against democracy they want to curtail the growth of democratic movements.

"Then what about the Co-operative Consumers' Societies about which the Hon. Minister waxed eloquent. There has not been any progress at all. I know, as a matter of fact, many people want Co-operative Consumers' Societies. But the Government do not want it because they do not want to make it a mass movement. The Directors for the first five years are to be nominated by the Registrar. This is a trick to create a vested interest just for five years and then perpetuate it just as the present Ministry remained in office for two months in the first instance, increased its voting strength and now flourishes on the Confidence Motion. Just the same trick is played there also. Everybody knows it. In the co-operative stores, zamindars have been put in, men who are fossils



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of Indian society and who ought to have been put into the dust heap of Indian history long long ago. The Advisers did want them and these people now want them; they want to entrust most of these things to the decaying elements in our society, namely, the feudal landlords and big black-marketeers. That is how the co-operative movement is managed.

"I was glad to hear the hon. Member Mr. Menon talking about the co-operative movement and the union of employees and all that. He said that the Registrar wanted to have the non-official co-operative employees as his own slaves and he said unless the unions were recognized by him, they would not be allowed to form unions at all. My point is, do we have a union first or recognition first? People should join and then form into an association, frame by-laws and all that and then ask for recognition. But according to the Registrar, they must first obtain recognition and then form the association. Where are we living, I ask. Are we standing on our head or on our feet? This is the way in which the entire co-operative movement is going on. The result is, the credit structure has broken down instead of going higher and higher. The credit structure is languishing. It is up to the Co-operative Department to change the order of things. To-day the Pathan money-lender charges and takes 200 per cent interest from many of the people of the ranks of the Non-Gazetted Officers who go to them for money. These Pathans are having a flourishing trade. What has the co-operative movement done for these poor employees? It is a public responsibility. The co-operative movement was started by great men in 1904, if I remember aright, to be worked on democratic principles. They believed in the people.

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"But now these men want to tell us that it is only the Registrar and the Government that know something of co-operation and that they alone can manage and not ordinary men. I may say, Sir, that an ordinary man knows more about co-operation than all the Registrars and the Hon. Ministers put together, because here in Madras it was not the Registrars and the Government that gave fillip to the co-operative movement; it was the ordinary Madrassi men that had organised Nidhis and Permanent Funds that brought up the co-operative movement; it was not imported from Britain, much less from Germany. The three great principles of co-operation viz., open membership, democratic control and one man one vote, are entirely relegated to the background. What we now find in the co-operative movement is the law of the jungle. It is only the will of the Registrar that simply dominates; he issues a circular and the whole thing is done.

"Then, Sir, I wish to say a few words in regard to auditing. Many of the co-operative societies are managed by some of the departmental officers. I was told that the Provincial Co-operative Society of Handloom Weavers is headed by a Joint Registrar and the accounts are audited by one of his Senior Inspectors: the Senior Inspector is always a very subordinate and *salaming* official of the Joint Registrar and the Deputy Registrars. If there is anything wrong in the accounts, he puts on a blind eye and passes the whole

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account. If the accounts are really audited by independent auditors, a number of defalcations will come to light. This is not fiction. There was a Marketing Society which was kept under the tutelage of departmental officers; there was a big scandal and much money was swindled away. Again, the Christian Co-operative Bank was managed by departmental officers, one of those departmental officers ate away the money, spent two years in jail and came out all the richer. Therefore, Sir, the Government are allowing the auditing to be done by the very same people who are in charge of the management. Sir, the Hon. Minister is very glad to tell us that he has put a number of co-operative societies under the charge of the Department. Don't they know, Sir, that they are ruining the co-operative movement? If they want to extend the co-operative movement on democratic lines, could they not find men who can run them? Can't we get persons of honesty to serve our co-operative societies? If that is really the view of the Ministry, I would very seriously ask them to have an I.C.S. officer as Secretary of the All-India Congress Committee. That will be the best thing. They must know that co-operation is a people's movement and democratic movement. Previously it had all the force and vigour; there were co-operative conferences and they could discuss their problems; the ryots from the village and the man from the office could join together on a common platform to discuss how to improve the working of the co-operative societies; but a virtual section 144 order was served on these conferences and by a series of stratagems, holding such conferences was rendered extremely difficult; so they could not meet at all and even if they met, they were called communist manoeuvres and so on and so forth. The Co-operative and Police Departments were agents-provocateur and the members were arrested. That was the way in which the co-operative movement had been going on; I know cases where people, if they began to talk about democracy in the co-operative conferences, were promptly warned, 'just take care of yourself' and those were days of Public Safety Ordinance and Preventive Detention Ordinance, etc. A mere warning from an officer was enough to put one in jail. This kind of ruthless trampling of human rights must be put an end to if the co-operative movement should not become a caricature or a misnomer or a lifeless thing. I don't mind the Local Bodies having Commissioners. I don't mind the District Boards having nominated members. But, in the case of co-operative movement, it is different; it has a very great future; it is a great movement that is going to help our cultivators and liberate us from the bondage—and the kind of bondage that exists in our country is colossal. I hope that the broad democratization of our co-operative movement will be attended to."

\* SRI PRAGADA KOTAIAH:—"Mr. Speaker, Sir, I rise to make certain suggestions for the careful consideration of the Government. I know, Sir, the co-operative movement in our State is doing some good to the agriculturists and the artisans in the villages. The co-operative movement in general may be broadly divided into two sections, agricultural and non-agricultural.

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Societies started for the benefit of agriculturists are mainly co-operative credit societies on unlimited liability basis. Sir, there are more than 16,000 co-operative credit societies in our State; but the progress of these societies in the recent years is not encouraging as ryots are afraid of becoming members of these societies. Why are they afraid? According to the present bye-laws of the societies, when certain members draw loans from them and are not able to repay them, the societies will proceed against those members who have got properties and make them responsible for all the loans drawn by certain other members. Therefore, I suggest that the co-operative credit societies should be converted into societies on limited liability basis where the liability of each member is limited to his paid-up share capital. When this is done, I feel, Sir, there will be no need for the existence of Loan and Sale Societies and Marketing Societies which are also started for the benefit of the ryots and which advance loans against the produce of the ryots. Therefore, if the co-operative credit societies are started on limited liability basis, the main features of the Loan and Sale Societies and Marketing Societies can be incorporated in the by-laws of the co-operative credit societies and they can also be conveniently entrusted with the distribution of iron, agricultural implements, fertilizers and other improved agricultural appliances required by the ryots. Sir, I would like to draw the attention of the Government to one other important point in this connection. I know, Sir, Mr. Subramaniam Naidu, the Joint Registrar of Co-operative Societies has, with much pains, started a Rural Co-operative Urban Bank on limited liability basis at Kovvur, West Godavari district. It is functioning well; it has been doing all the activities of a co-operative credit society, of an Urban Bank, of a Loan and Sale Society and of a Marketing Society. Therefore, I press that the Government should see that the Co-operative credit societies are converted into Rural Co-operative Banks on limited liability basis.

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“With regard to long-term loans, the Hon. Minister was referring this morning to the Land Mortgage Banks. I do admit they are rendering a real service to the agriculturists by providing them with long-term loans. But the number of primary land mortgage banks is very limited. For the whole of the Madras State there are only about 119 to 120 such banks. There is the imperative need that primary land mortgage banks should be organized in all the districts of the State at the rate of at least one bank in each revenue firka. The ryots are also complaining that the loans applied for by them are not disbursed to them in time. The Department should see that the central as well as the primary banks function in such a manner that they could disburse the loans to the ryots in time.

“Government can also successfully depend on co-operative societies for growing more food. In every district there are thousands of acres of waste land lying uncultivated. The landless and the landlords are quarrelling against one another, as to who should occupy these waste lands. I suggest that a Special Deputy Registrar may be placed in charge of every district under the



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Collector. They could take the necessary particulars of the extent of waste lands in their districts and form land colonization co-operative societies for the benefit of landless agriculturists. This will bring waste lands under the plough and incidentally relieve unemployment among landless labourers. The formation of land colonization societies may also create peaceful atmosphere in the villages.

“ With regard to weavers’ Co-operative Societies, the weavers can really be proud of their achievements. About three lakhs of handloom weavers are to-day working in weavers’ co-operative societies. The Hon. the Minister for Co-operation was saying this morning that the weavers in co-operative societies were getting 20 per cent extra yarn over and above the yarn being supplied to card-holders. This is not correct. I had proved that to be false by furnishing the figures earlier. I had also furnished the Hon. the Minister for Industries with the necessary facts. As against the monthly minimum demand of 10,000 bales, the weavers’ co-operative societies in Madras State got only 2,234 bales during the previous month. This clearly shows that the Government are not taking real interest in supplying adequate quantities of yarn to the weavers’ co-operative societies. Instead of helping these primary weavers’ co-operative societies, Government are using them as a source of income. The Government are collecting supervision fees at the rate of 2 per cent on profits made by the societies. They are also collecting audit fees which go in certain cases up to two thousand rupees. The departmental people in certain places are compelling the primary weavers’ societies to appoint auditors under Fundamental Rule 127 and maintain the costly departmental auditors. They are collecting sales tax both on yarn and handloom cloth. In addition to all these, they are also collecting licence fees under the General Sales Tax Act from the weavers, co-operative societies. When such is the case, how can they say that they are helping the weavers’ co-operative societies? When I said that the weavers’ co-operative societies were not having adequate finances, our Industries Minister was saying that they could borrow from banks. But I am sorry to say that the Hon. Minister is not aware of the fact that many of the central banks have refused to give financial help to these societies. In East Godavari, the Kakinada Central Co-operative Bank had refused to render financial accommodation to thirty weavers’ co-operative societies. We have brought this to the notice of the Registrar of Co-operative Societies, and also to the notice of the Government. But so far the Government have not taken any action. On the other hand, they are helping the big industries through the Industrial Finance Corporation. I request that a Cottage Industries Finance Corporation may be set up so that primary weavers’ co-operative societies could be rendered financial help in time of need.

“ I shall say a few words about our Textile Institute. This is now under the charge of the Industries Department. I plead that the same should be transferred to the Co-operative Department, for the following reason: An experimental section could be opened in the Government Textile Institute to invent new designs and

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manufacture samples accordingly. These samples could be distributed to the primary weavers' co-operative societies. When the Government place orders with the primary weavers' co-operative societies for their requirements of textile goods, the Registrar can get all the samples prepared in the experimental section and distribute them to the primary weavers' co-operative societies for execution. This will help the handloom weavers' co-operative societies to a very great extent.

"Of late we find that the Industrial Co-operative Societies have increased in large numbers in our State. To promote the speedy growth of industrial co-operative societies, including weavers' co-operatives, a separate Registrar may be appointed.

"The Government are at present spending about ten lakhs of rupees on the Khadi scheme but the results are not satisfactory. The Hon. the Minister for Co-operation was saying that the Government are giving adequate help to the Khadi producing societies. There are at present two such societies, one in Peturu and the other in Isukapalli. These Khadi producing societies have approached the Government for financial assistance. Government have not afforded any help. They have not advanced even a single pie. I, therefore request the Government to render financial assistance to these khadi producing societies to meet at least establishment charges and thus encourage their rapid growth in our State.

"I want to bring to the notice of Government the plight of a large number of Madigas in Andhradesa. They are shoemakers. Only some of them are employed in shoe companies. If the Government were to form shoemakers' co-operative societies, it will serve a two-fold purpose. The production of shoes could be increased and also a large number of Madigas would find employment. The Government can also place orders with these societies for their requirements. I trust the Government will carefully consider this matter and arrive at a decision soon."

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\* SRI B. K. NALLASWAMI :—"கனம் உதவி சபாநாயகர் அவர்களே, இந்த கூட்டுறவு மானியத்தை ஆதரித்துச் சில வார்த்தைகள் பேச விரும்புகிறேன்.

"இந்த மானியத்தை பிரேரேபித்த மந்திரி அவர்கள் கூட்டுறவினால் நம்முடைய நாட்டையே நிர்ணயிப்பதற்கான திட்டங்களைச் செய்யலாமென்று குறிப்பிட்டார்: வாஸ்தவம் தான். ஆனால் அதிலே இருக்கக்கூடிய பல குறைபாடுகளை நீக்கினாலன்றி அதனால் புரண பலன் திடக்கூடாது என்பதை விளக்கி சில வார்த்தைகள் சொல்ல விரும்புகிறேன். டாக்டர் மேனனுக்கு ஏற்பட்ட அனுபவத்தைப் போலவே எனக்கும் அனுபவம் ஏற்பட்டிருக்கிறது கூட்டுறவு சங்கத்திலே 1933-ம் வருஷம் அங்கத்தினராகச் சேருவதற்கு விண்ணப்பம் போட்டேன். எடுத்துக் கொள்ளவில்லை. தள்ளிவிட்டார்கள் அதற்குப் பிறகு பல தடவைகள் கோவாப்பிரேட்டில் ரிஜிஸ்ட்ரார் அவர்களையும் மற்றும் பலரையும் பார்த்தும், எங்களைச் சேர்த்துக் கொள்ள மறுக்கிறார்கள் என்றும் சொன்னோம். அதோடு நிர்வாகத்தில் இருக்கக்கூடிய ஊழல்களை எடுத்துக் காட்டினோம். பிணியிலோன்கள், அதாவது பொய்யாக கடன் கொடுத்திருப்பதைப் போன்ற பல குற்றங்களைக் காட்டினோம். அக் குற்றங்களையெல்லாம் ஒத்துக் கொண்டார்களே தவிர எங்களை மாத்திரம் அங்கத்தினராக சேர்த்துக் கொள்ளவில்லை. அட்வைசர் அட்சிசில், எங்களை மெம்பர்களாக எடுத்துக்கொள்ளா விட்டால் அவர்களையே நீக்கிவிடு

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வேமம் என்பதாக நோட்டீஸ் வந்த பிறகு தான் எங்களை எடுத்துக் கொண்டார்கள். இன்னும் எங்கள் ஊரில் நூற்றுக்கணக்கான பேர்கள் நில அடமான பாங்கு, அர்ப்பன் பங்கு போன்றவைகளில் அங்கத்தினர்கள் சேர முடியாத நிலைமையில் இப்பொழுது இருக்கக்கூடிய சட்டம் இருந்து வருகிறது மிகவும் துர்பாக்கியமான நிலைமையாகும். ஒவ்வொரு ஜனநாயக ஸ்தாபனத்திலும் நாட்டில் இருக்கக்கூடிய மக்கள் அனைவரும் சேருவதற்கு உரிமையிருக்கிறது. படித்தவர்கள், திறமையுள்ளவர்கள் யாவரும் அதில் பணியாற்ற சந்தர்ப்பம் கொடுக்கப்படவேண்டும். “எங்கள் கூட்டுறவு சங்கத்தில் எல்லா மெம்பர்களும் பேசி முடிந்த பிறகு தான் கூட்டத்தின் முடிவு அறிக்கை சமர்ப்பிக்கப்படும்”, என்று எதிர் கட்சித் தலைவர் மற்றொரு சந்தர்ப்பத்தில் சொன்னார்கள். ஆனால் எங்கள் ஊரிலே, பேசக்கூடிய திறமை வாய்ந்தவர்களாய் இருந்தால் அவர்கள் அங்கத்தினர்களாகச் சேர்த்துக் கொள்ளப்படுவது கிடையாது. எங்கள் ஊரில் யாரையும் காரண மில்லாமல் நீ கில்டலாம் என்று சொல்லி அதை நக்கி விடுகிறார்கள். எல்கஷன் நடக்கிறதென்றால் தகப்பனார், மாமனார் மருமகன் என்று பரம்பரையாக நிர்வாகிகள் வரும்போது வெளிப்படையாக கைதூக்கும் முறையில் தேர்தல் நடைபெறும் பொழுது அந்த நிர்வாகிகளுக்கு வி ராதமாக கையைத் தூக்கினால் மறுபடியும் கைகிடைக்குமா, கிடைக்காது என்று யோசிக்க வேண்டியதாக அங்கத்தினர்கள் இருக்கிறார்கள். இப்படிப்பட்ட நிலையில் நடக்கிற கூட்டுறவு இயக்கம் ஜனநாயக முறையில் நடக்கிறதென்று எப்படிச் சொல்ல முடியும்? இதை அரசாங்கம் சிந்தித்துப் பார்க்கவேண்டும். இதற்கெல்லாம் அடிப்படையான சட்டத்திற் திருத்தம் செய்யவேண்டியது தான். டாக்டர் மேனனைப் போன்றவர்கள் கோர்ட்டுக்குச் சென்று தங்கள் காரியத்தைச் சாதித்துக்கொண்டு விடலாம். ஆனால் சாதாரண மக்கள் அது மாதிரி கோர்ட்டுக்குச் சென்று காரியத்தைச் சாதித்துக் கொள்ள முடியுமாவென்று பார்க்கவேண்டும். கூட்டுறவு சங்கத்தில் யாரையும் சேர்த்துக் கொள்ளலாம் என்ற அடிப்படை உரிமையை மறுக்கக் கூடிய வகையில் இருக்கும் இந்தச் சட்டத்தை முதலில் திருத்தியாக வேண்டும். அதை மாற்றியமைப்பதற்கு வேண்டிய முயற்சியை இந்த அரசாங்கம் எடுத்துக் கொள்ளவேண்டும். (நேரம் ஆகிவிட்டது என்பதற்காக சபாநாயகர் மனியை அடித்தார்.)

“தலைவர் அவர்களே, நான் பல விஷயங்களைப் பற்றி பேசுவதற்கு எண்ணினேன். நான் குறித்துக் கொண்டிருக்கும் விஷயங்களில் ஒரு சிலவற்றைக் கூட இன்னும் சொல்லியாகவில்லை, இருந்தாலும் சூர நிமிஷத்தில் முடித்துக் கொள்ளுகிறேன்.

“அதோடு எங்கள் தொகுதியிலுள்ள டாக்டர் மலைப்பிரதேசமாக இருக்கிறது. அங்கேயுள்ள விவசாயிகளுக்கு ஒரு நூறு ரூபாய் கொடுத்துவிட்டு 2 மூட்டை ராகியையும், ஒரு ஜோடி மாட்டையும் வட்டியாக எடுத்துக்கொண்டு போகிறான் லேவாதேவிகாரன். அந்த இடத்திலே ஒரு கூட்டுறவு ஸொஸைட்டியை ஏற்படுத்த வேண்டுமென்றால், அந்த இடத்தில் தங்களுக்கு வேண்டியவர்கள் இருக்கிறார்களா? தங்களுக்குச் சாதகமாகவே வேண்டுமோ போடுவார்களா? என்றெல்லாம் பார்த்துக் கொண்டு அப்படி யாரும் இல்லையென்றால் ஏற்படுத்தக் கூடாது என்று அதை ஏற்படாதபடி செய்து விடுகிறார்கள். சங்கங்களில் பதவி வகிப்பவர்களின் பிடிப்புப் அதிகாரமும் நிரந்தரமாகக் இருக்கக் கூடிய வகையில், இன்று கூட்டுறவு இயக்கம் நடக்கிறதே தவிர ஜனநாயக முறையில் நடப்பதாகத் தெரியவில்லை. ஜனநாயக முறையில் எல்லா மக்களுக்கும் உபயோகப்படக்கூடிய முறையில், எல்லா மக்களும் அங்கத்தினராகச் சேர்ந்து கொள்ளத்தக்க முறையில் இந்தச் சட்டத்தைத் திருத்தி அமைக்க அரசாங்கம் முன் வரவேண்டுமென்று கேட்டுக் கொண்டு, இன்றைய தினம் அந்த நிர்வாகத்திலிருக்கிற குறைபாடுகளை நிவர்த்திக்க எக்ஸ்பிரியூடிவ்விஸ் இருக்கிறவர்களும் முயற்சி செய்யவேண்டுமென்று கேட்டுக் கொண்டு நான் இந்த மானியத்தை ஆதிக்கிறேன்.”

\* SRI A. RAMACHANDRA REDDIAR:—“Mr. Deputy Speaker, Sir, while supporting this Demand, I should like to give a few suggestions to the Government. For quick disposal of loan



[Sri A. Ramachandra Reddiar]

[28th July 1952]

applications in Co-operative Land Mortgage Banks, each Co-operative Sub-Registrar must be put in charge of only two banks and not more than two. I request Government to place the services of as many Sub-Registrars as are required for this purpose at the disposal of the Registrar to facilitate such quick disposal. Since there is no provision in the bye-laws of the Co-operative Central Land Mortgage Bank for postponement of instalments during times of famine, drought, and such other calamities, the Central Land Mortgage Bank, Madras, requested the Government from 1949 to create a revolving fund to help them in the matter. I find the Government have provided Rs. 5 lakhs this year and I thank them for it. They have also given instructions that the amount should be used for such of those as have not paid their instalments in May 1952 and August 1952. In this connection, I should like to plead for those who have not paid their instalments in November 1951. The benefit must be given to them also, and I request the Government to place some more amount at the disposal of the Central Land Mortgage Bank, to help such people, since I hear some of the banks are foreclosing the loans and trying to collect the amounts.

“ In our State several zamindari areas and mittas have not yet been surveyed. Because of the fact that they have not been surveyed, the Central Land Mortgage Bank's facilities cannot be extended to such areas. I request the Government to take up the survey of the zamindari areas and mittas, so that there also people may have the benefit of the Land Mortgage Bank movement. Government should give definite instructions to district officers not to grant loans on lands already hypothecated to Land Mortgage Banks, since such lands should not be subjected to second mortgage. In spite of our advice, borrowers from the Land Mortgage Banks go for a second loan to the Tahsildar or Revenue Divisional Officer who, indiscriminately, without taking care or seeing whether there is any other encumbrance on the lands, grant second loans, and create a second mortgage on the same lands. Actually, when a Government loan is given, it becomes the first charge; and the Land Mortgage Bank loan comes only as the second charge. It is, therefore, risky for the Government to give a second loan on lands which have been already mortgaged to the banks, inasmuch as the Government have given a guarantee on the debentures of the Madras Central Land Mortgage Bank both for interest and for principal.

“ Regarding short-term loans, the interest on loans given by co-operative societies for agricultural purposes is  $7\frac{1}{2}$  per cent at present. I request the Government to see that the interest is brought down and it does not exceed six per cent.

“ Again, in every district, there should be a society for the supply of oil engines and pump sets, on the loan system, the cost to be paid in six or several years. There is one such society in the North Arcot district which has been financed by the North Arcot Central Bank, of which our Deputy Speaker happens to be the President.

28th July 1952] [Sri A. Ramachandra Reddiar]

"Regarding elections to the co-operative societies, I would request the Government to see that uniform rules are framed for the election of office-bearers of all co-operative institutions, and to provide that all voting in the elections should be by secret ballot and not by the lifting of hands.

"In this connexion, I would request the Government to see that multi-directorship in the State co-operative institutions is discouraged. I suggest that one and the same person should not be elected to more than one executive committee of the institutions.

"In regard to co-operative stores, if all persons who want to become members cannot become members, they should be taken as associate members, and they should also have the benefit of the bonus that is declared from time to time and also have the option of the bonus amount being adjusted towards share capital."

\* Sri P. RAMA RAO :—“ఉపాధ్యక్ష, ఈ రోజున సభ వారి ఎదుటనున్న 3-40 p.m.  
 దిమాండును స్వతః రేకించుచూ కోత తీర్చానాన్ని బలపరచుచున్నాను. అయితే యీ  
 కో ఆపరేటివ్ మూవెంట్లు (co-operative movement)లో యీనాటి పరిస్థితులబట్టి  
 రైతులు చాలా యిబ్బందిపడుచున్నారని మనసుందరము తెలుసుకోవలసివస్తుంది. అవ  
 సరమేమున్నది. మనకు యీ co-operative movement లో అనేక విధాలుగా  
 అభివృద్ధి జరిగిందనిపిస్తే దాదాపు 65% గ్రామాలలో యీ co-operative societies  
 పెట్టియున్నారనిపిస్తే అందువల్ల ప్రజలకు చాలా ఉపయోగముగా తున్నవినిపిస్తే ఇంకొకటి  
 ఇప్పుడు సెలవిచ్చారు. నాకు కూడా యీ co-operative society విషయములో ఆరు  
 సంవత్సరముల అనుభవమున్నదని తెలుసున్నాను. ఈ సొసైటీలో రైతులు అప్పులు  
 తీసుకొనేటట్లుయితే వాము పడేటటువంటి ఇబ్బందులు అనేకములున్నవి. ఉదాహరణ  
 ఒక విషయము తెలుసున్నాను. ఒక రైతు ఒక co-operative society లో చేరి  
 అప్పు తీసుకొనినట్లుయితే అతడు ఏ కేసు ఆ అప్పును చెల్లించవలసియున్నది. అతనికి  
 పండిత పంట వచ్చేసరికి సరియైన గిట్టుబాటుధర లేకపోయినట్లున్నది. అతను దాచివుంచు  
 కొనేందుకు ప్రయత్నించుతాడు. సరియైన గిట్టుబాటు ధర వచ్చేవరకూ అగిడయెడల ఈ  
 Co-operative Bank వారికి ఆ సంవత్సరము కట్టవలసివచ్చిన వాయిదా దగ్గరకు  
 వచ్చినందున అతను దాచుకొనియున్న పంటను అమ్ముటకు యిష్టము లేనందున,  
 బ్యాంకు ఒత్తిడికి ఆగలేక ఆ రైతు ఏ మార్కెటింగ్ సొసైటీలో ఎక్కువ వడ్డీలకు  
 సొమ్ము తెచ్చి ఆ అప్పును తీర్చవలసియుంట్టున్నాడనున ఆ రైతు వచ్చే కష్టాలు  
 చెప్పి నలవికాకుండా యున్నది. ఇంకొక మూలముగా యీ కొద్దికాలపు (short-term  
 loans) అప్పులు ఈ రైతులకు ఏ మాత్రం లాభకరముగా లేదని మంచి చేస్తున్నాను. ఈ  
 విషయము మనకందరకునూ తెలిసినటువంటి విషయమే. గ్రామాలలో మొదట అనేక  
 మంది రైతులు సహకార పరిపతి సంఘములలో చేరుచున్న మాట నిజమే వారు  
 మొట్టమొదట యీ సొసైటీలో చేరయెడల ఏదో లాభము వచ్చునని అందులో చేరి  
 దరు. తర్వాత దానినుండి విరమించుకొనుట సంభవిస్తున్నది. అందువల్ల యీ  
 short term loans వల్ల ప్రజలకు తుపయోగకరముగా లేవు. వీలను ఒట్టి అప్పులు  
 తీర్చుటకు అనుగుణ్యముగా తుండవని, అంత ఉత్సాహముతో యీ సొసైటీను  
 ప్రోత్సహించుట లేదు. ఈ బ్యాంకులలోనుండి short term loans తీసుకొని,  
 తర్వాత వాయిదా ప్రకారము అప్పు తీర్చుటకు Bank వారు కొందర చేయడము  
 వల్ల యీ అప్పుదారునికి వేరే విషయము జబ్బు రానందున మరిల బ్యాంక్ ద్వారా  
 అప్పుతెచ్చి తీర్చుదామని యితరుల దగ్గర అప్పు తెచ్చి అప్పుటికప్పుడు దానిని

[Sri P. Rama Rao]

[28th July 1952]

తీర్చుతాడు. కాని ఆపట్ట వెంటనే రాదు. అందువలన ఆ రైతు అనేక కష్టాలకు గురి కావలసి యుండును. కనుక యీ బ్యాంకులో తీసుకొనే ఆపట్టలు తీర్చుట కున్నా, యితర త్రా తెచ్చినటువంటి ఆపట్టలకు వడ్డీలు పెరగడమున్నూ, యీ విధముగా వడ్డీలకు వడ్డీలు పెరగటమువల్ల యీ రైతు ససకున్న ఆపట్ట అంతయు తీర్చలేక నానా యిబ్బందులు పడుటకు కారణమగుచున్నది. ఇదేవిధముగా ప్రతి రైతు, ప్రతి సంవత్సరము యీ ఆపట్టలు తీర్చవలసినందువల్ల యీ short term loans వి విధము గాను రైతుకు ఉపయోగము లేకున్నవి. కాబట్టి యీ బ్యాంకులలోగాని, సొసైటీలలో గాని long term loans యిస్తేనే, ఎటువంటి రైతులకు కొంతపురయోగమగుననినీ, వీలను బట్టి బయట హెచ్చు వడ్డీలకు ఆపట్టకు పోకుండా, యీ ఆపట్టలు తీర్చుకొను టకు వీలుండునని మనవి చేస్తున్నాను. యిప్పుడు రైతులు తీసుకొన్నటువంటి short term loans అన్నియునూ, long term loans గా మార్చితేనే ఉపయోగముగా భ్రంశం దని చెబుతున్నాను. అట్లు చేయడమువల్ల యీ రైతులు వడ్డీ యిబ్బందులనుంచి తప్పించబడినవారగుదురు. ఇంతేకాకుండా సొసైటీలలో రైతుకు భూమి ఉంటేనే ఆపట్ట యిచ్చుచున్నారు. భూమి లేనివాళ్లకు ఆపట్టలు యివ్వడము లేదు. భూమి లేనివాళ్లు సాధారణముగా వ్యవసాయ కూలీలు, పేద రైతులుగా వున్నారు. వీరు, ఎ జమీందారునివిగాని, లేక భూస్వామివిగాని భూములను కాలకు తీసుకొని వ్యవసాయం చేస్తుంటారు. ఇట్టివారికి యీ నాడు ఆపట్టలు యిచ్చుటలేదు. యీ సొసైటీలు భూమి యిచ్చు రైతుకే కొంతవరకు ఉపయోగపడుచున్నవి గాని, అన్ని రకములైన ప్రజలకు అనగా, భూమి వున్న సరి, లేకపోయిన సరి ఆపట్టలు యిచ్చుటకు వీలుగా లేవు గనుక నారికి అట్టి సదుపాయములు కలుగ చేయవలెనని కోరుతున్నాను. అట్లు ఆపట్టలు యివ్వకపోయినట్లయితే దేశములో వ్యవసాయాభివృద్ధి తగినంత కానేరదు. కొన్ని భూములు చేసే పేద రైతులు, వ్యవసాయ కూలీలు వారికి కావలసిన వ్యవసాయ పనిముట్లు కొనుక్కొనెటందుకగాని, లేక ఎరువులు తెచ్చుకొనెటందుకు గాని లేక మరే యితర అవసరమైన వస్తువులు వ్యవసాయాభివృద్ధికిగాను ఆపట్ట తీసు కొనెటందుకు యీ సొసైటీలు ప్రయోగముగా లేకపోయినట్లయితే యీ సొసైటీలు ఉండి లాభమేమని అడుగుతున్నాను.

ఈరీతిగా రాష్ట్రములో యీ prohibition వల్ల అనేకమంది కల్లు గీతగాండ్రు నిరుద్యోగులైనాని అందరికీ తెలిసియుంటుంటే విషయమే. యీ కల్లు గీత గాండ్రు రాష్ట్రములో సుమారు రెండు వేల సొసైటీలు పెట్టిచూపుని మంత్రిగారు నెలవిచ్చారు. ఈ సొసైటీలలో చాలామంది యీ కల్లు గీతగాండ్రును చేర్చించి, బెల్లము తయారుచేయుటకు వీలు కలిగించామని అన్నారు. ఆ విధంగా వారికి వృత్తి co-operative సంస్థలద్వారా తోడ్పడుచున్నామని వారికి యెంతో లాభం చేసినట్లు చెప్పుకొన్నారు. యంతేకంటే మోసమేమీ లేదు. యీ సొసైటీలు యే విధంగా పనిచేస్తున్నవని విచారించారా ! మా కృష్ణా జిల్లాలో యీ కల్లు గీతగాండ్రుకు ఆరు సొసైటీలు పెట్టినారు. యీ నాడు ఆ సొసైటీలు అన్నియు ఎత్తివేయబడియున్నవి. ఈ సొసైటీలు ఒకటిగాడా లాభానాటిగా లేనందున యీ వృత్తి, యే మాత్రము ఉపయోగకరంగా గాని, జీవనపోషికి ఉపయోగించేవిగా గాని లేనందున యీ సంస్థ పనిచేయలేదు. అందుచేత వాటిని రద్దు చేయటం జరిగింది. Co-operative department వారినుంచి గాని, యీ co-operative societies ద్వారాగాని బెల్లం తయారుచేయుటమూలము యేమి లాభం లేదు. కనీస కూలీ కూడా గిట్టుబాటు లేక యీ బెల్లము తయారుచేయుటకు యేర్పడదసొసైటీలనుండి కల్లు గీతగాండ్రు విరమించు కొంటున్నారు. మొదట మొదట పుల్లసముగా చేరినారే గాని, వాళ్లకు లాభనాటిగా



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లెసంపన ముద్దివేయటం జరుగుతుంది. యీ సొసైటీలు ఎత్తివేయడమునకు కారణ మేమయిండునని ప్రభుత్వంవారిని విచారించమని అడుగుచున్నాను. ఇన్ని సంస్థలు పెట్టినామని లెక్కలు చెప్పటం గాదు. ఎన్నో వివిధంగా పనిచేయుచున్నవి, ఎన్ని రద్దయినవి, ఎందుచేత, వారికి మొత్తం గిట్టుతుంది అనేది అలోచించాలి. పని కల్పించినామని ప్రజలను మోసగించటం సరియైనది కాదు. కాబట్టి యీ co-operative societies లో long-term loans ఇవ్వగలండులకున్నూ, భూమి పున్ననూ, లెకపోయిననూ అప్పులు ఇవ్వగలండులకున్నూ యీ సొసైటీలలో చేరటమువంటి కలు గీడగాండ్రు, weavers వగైరాలు చేరనట్లయిన, వారికి యీ సొసైటీలవల్ల లాభకరముగా చేయమని ప్రభుత్వం వారిని కోరుచున్నాను.”

\* SRI M. RAJESWARA RAO:—“ Mr. Deputy Speaker, Sir, this is one of the several departments created in order to make some provisions from time to time for some ‘interested persons’ in Government service. I observe to-day that communal feelings, communal favouritism, and political feelings are being propagated in the co-operative department. As a matter of fact, I have known that several representations have been made to the Government concerning the Deputy Registrar of West Godavari, who is carrying on communal propaganda and creating political feelings. Therefore, it appears to me that the department is intended to make provision for some ‘interested persons’ to serve vested interests.

“ Coming to the Demand, out of Rs. 80 lakhs provided for the Department, a sum of Rs. 70 lakhs goes towards establishment charges and only Rs. 10 lakhs will be spent on grants to certain kinds of co-operative societies, such as those for the khadi industry or the tanning industry. I submit, therefore, that either the activities of the department should be increased by allowing more funds for its increased activities or the whole Department should be abolished and the work entrusted to the Registration department. However, I personally feel that the movement might be encouraged in view of the recommendations of the National Planning Commission. I am sorry to observe that communal feeling is rampant in this Department and I will be only too glad if the communal feelings do not enter into the mind of the Hon. the Minister in charge of the department—himself. The condition of the tanners is very pitiable and I shall shortly refer to what is stated about them in the Report of the Harijan Welfare Committee. I submit that a major portion, or at least a considerable portion of the Harijan community, is employed in this industry and it is regrettable that the Hon. Minister does not seem to have referred to the Report at all in his speech. This is a Report which was debated upon and approved by the Legislature and it was published in 1948. This is what is stated on page 19 of that Report—

‘ In this connection, we have to bring to the notice of the Government the appalling condition of the chukler community. They are all Telugu-speaking people and though they are comparatively few in the Tamil country, they are spread over 8 per cent of the villages inhabited by the Harijans. They form a very small minority and their condition is most pitiable. In most cases, they possess no houses of their own nor any kind of property. They deserve the special attention of the Government and in any scheme of welfare work they should get precedence over every other sub-sect of the Harijan community.’

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They went further and said—

‘We would even go one step further and say that they are the Harijans among the Harijans. Their counterpart (the Madigas or Arundhateya) in the Andhra area are not so badly off. Yet, they too are decidedly inferior in every respect and ought to be preferred in any kind of work for the amelioration of the Harijans. The reason why we had to mention them under this head is the age-long profession carried on by these people. They are the tanners and cobblers of the village and naturally their work is bound to be very dirty.’

This is the condition of the chucklers who are considered to be the Harijans amongst the Harijan community and yet the Hon. Minister has in his speech said that the tanning industry is the monopoly of this community as if it is an honourable and profitable profession. I suppose the tanners never complained against the other section of the Harijans to which the Hon'ble Minister himself belongs. Has the Hon. the Co-operation Minister received any complaint from the other section of the Harijans to which he belongs that they have been denied an opportunity to serve in the industry on account of the tanners? Or, has he received any representation from the tanners that the privileges accorded to them should not be extended to the other section of the Harijan community? \*Certainly not. Therefore, it is not a correct statement and I request him to withdraw the statement he has made. The other day, we submitted a memorandum to the Hon. the Chief Minister, on behalf of the Tamil Nad Arundhatiyar Central Sangham and the Andhra Rastra Charamakara Sangham and wanted the help of the Government for the encouragement of the tanning industry on the lines evolved by the Harijan Welfare Committee on page 34 of their Report.

The Report says—

‘The Registrar of Co-operative Societies has a plan for the starting of some Leather Co-operative Societies.’

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p.m

So, it is admitted in the Report that a plan has been evolved to give encouragement to the tanning industry. But, the other day, the Hon. Minister, while answering my supplementary question said that there was no proposal to evolve a plan at all and that he referred the matter to the Registrar of Co-operative Societies for working out a plan. He also categorically stated that not a single pie was given to the tanning industry. I, therefore, feel that the attitude of the Hon. Minister towards Chucklers or Madigas is most regrettable and discouraging. I would ask in all earnestness why he has not given effect to this part of the recommendations of the Harijan Welfare Committee, which relates to the uplift of the tanners. I hope the Hon. the Minister for Co-operation will go through the Report, reconsider his decision and see that that plan is implemented without delay.”

DEPUTY SPEAKER:—“The hon. Member's time is up. The hon. Member Mr. Vemiah will now speak.”

\* SRI S. VEMIAH:—“Mr. Deputy Speaker, Sir, I rise to support the Cut Motion. In doing so, I submit that the Co-operative Department is not working satisfactorily in the public interest. This Department is purely intended for the benefit of the poor people. Co-operative Societies have been formed to fight the evils

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of capitalism. The activities of the Co-operative Department have not been properly checked. Co-operation should be extended to all fields.

“ Now, I come to the Demand under discussion. A sum of about Rs. 77 lakhs is allotted for this Demand, namely, Co-operation. This amount is quite insufficient and inadequate for the working of co-operative societies throughout the State.

“ Now, I come to reclamation of fallow lands. Hundreds of thousands of acres of fallow lands are lying idle and the Government and private land-owners have not taken any steps to bring those lands under the plough. Those lands could be reclaimed and given to Scheduled Castes, Scheduled Tribes and other backward people who form the backbone of this country. I hope the Co-operative Department will bestow its attention on the starting of societies for the reclamation of fallow lands.

“ Now, I come to Land Colonization Scheme. In the Nellore district, the Government had taken up two or three Land Colonization, Schemes—one by name ‘ Karedugunta ’ in the Atmakur taluk and two others, namely, ‘ Tarunanayi ’ and ‘ Siddhapuram ’ in Kovur taluk. After spending a large amount on two schemes, namely, Karedugunta and Tarunanayi the Government finally abandoned them. I do not know the reasons for the Government taking such a decision, when hundreds of thousands of acres are lying idle and poor landless labourers are ready to form a colony. Most of these people belong to the Schedule Castes and Backward Communities.

“ Also, there are thousands of acres of land at the disposal of Religious Endowments. The Endowments authorities auction these lands for cultivation purposes. The poor people are not able to bid and compete with the rich people at those auctions. Therefore, the Co-operative Department should insist on the Endowments authorities to lease out those lands to the co-operative societies that may be formed for helping the poor people.

“ Sir, the Government have given some loans for house construction. At page 51 of the Report on the Working of the Co-operative Societies, it is mentioned that a sum of Rs. 20,000 was given to the societies. In Muthialapalayam in the Nellore district, there was a scheme for house construction. The people of that locality want to construct houses and it has been the burning problem for the last ten years. They are not able to get lands under the Land Acquisition Act. Finally, the Government issued notice under section 4 (1) of the above Act and after acquisition, the proposals were shelved. I want to know what has happened to the Rs. 20,000 allotted to the Co-operative Societies? Why not this amount be utilized for the poor people? The Government are unnecessarily spending thousands of rupees on Khadi and Firka Development Schemes which are not useful to the people. Before I conclude, I want to draw the attention of the Government that the amount set apart for this Demand is meagre and I hope they will come again for supplementary grants for this Department.”





[K. S. Subramaniam Gounder]

SRI P. BAPU NAIDU :—“ఉచిత్యత, కో-ఆపరేటివ్ క్రెడిట్ సొసైటీలు వ్యవసాయదారులకు ఉపయోగముగా నుండుటకు పెట్టబడినవి. అందుచేత క్రెడిట్ సొసైటీలు వీరికి ఆప్పు ఎంత ఇవ్వాలి అన్నది, నిర్ణయించేటప్పుడు ఆ గ్రామాల్లో భూమి తాలూకు పరిమితిని మనస్సులో ఉంచుకోవాలి. (At this stage Mr. Speaker resumed the Chair.) నెట్ వర్క్ బ్యాంకు ఆ క్రెడిట్ సొసైటీలు ఇచ్చే maximum borrowing power ను నిర్ణయించాలి ఆ గ్రామాల్లో వందే పంటలు, వాటికి అయ్యే మడుపులు మనస్సులో భ్రమకొని borrowing limit ను నిర్ణయించవలెను. క్రెడిట్ సొసైటీలు తమ బాకీదార్లనుండి ఆప్పును వసూలు చేసుకొనుటకు ఆ గ్రామాల్లో వందే పంట వాని తాలూకు మార్కెటింగు మొదలైనవి మనస్సులో ఉంచుకొని దీనిపైన ఆ ఆప్పును నిర్ణయించే విధానాన్ని నిర్ణయించుకోవాలి

[Sri P. Babu Naidu]

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దీనిని బట్టి క్రెడిట్ సొసైటీలకి లెన్ద్రుట్ బ్యాంకు అప్పు లీవ్వుకొనేదాన్ని నిర్ణయించవలెను. కో-ఆపరేటివ్ సొసైటీకి లోన్ డార్లు కమిటీ వామి ఇస్తే దానిపై వాళ్లకు అప్పు ఇచ్చే ఆంకాశము ఉండాలి. చాలా చోట్ల సొసైటీ లాంటి వాళ్లును ఏ కొద్ది మంది ఉపయోగపరచుకొనుచున్నాడు. కాని borrowing power కు ఋణాలు తీసుకొంటున్నారు. క్రెడిట్ సొసైటీ ఇటుంటి ఉద్దేశం discourage చేసి గ్రామంలో ఎక్కువ మందికి స్వల్పమైన ఋణాలు ఇచ్చేటట్లు చేయవలెను. కనుక క్రెడిట్ సొసైటీలలో రెండు, మూడు గతకంటే ఎక్కువ సంఖ్యల గ్రామాలను చేర్చి, వాటికి తగినంత అప్పు సౌకర్యాలను కలిగించవలెను. ఎక్కువ సౌకర్యాలైనను కలిగించాలి, లేదా ఆ గ్రామాలను విడదీసి వాటికి ప్రత్యేక సొసైటీలైనవి ఏర్పాటుచేయవలెను.

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“బర్మా కాండిడ్ లకు కొంత జీవనభృతినీ కలిగించే నిమిత్తం కొద్ది ప్రాంతాలలో వీవర్స్ సొసైటీలలో వారిని సభ్యులుగా చేర్చి వారికి లోన్లు సౌకర్యాలు చేపూర్చవలెను. కాని, ప్రస్తుతము వారికి అట్టి సౌకర్యములు లభించకుండా చేయబడుతున్నది. ఈ విషయాలలో బర్మా కాండిడ్ కులు అధికారులగు, ప్రభుత్వమునకు ఎంత ఘోరమవుకొన్నా వాటికి తగిన సహాయము ఇవ్వబడడం లేదు. ఇట్లు వాటిని లేని ఈ కాండిడ్ కులు పన్నుల లేక మలనుల మాడుచున్నారు. కనుక వారికి తగిన సౌకర్యాలను ఏర్పాటుచేయవలెను.

“విరువాత రూరల్ కో-ఆపరేటివ్ హౌస్ బిల్డింగు సొసైటీల విషయంలో 10, 12 గ్రామాలు కలిపి ఒక సొసైటీగా ఏర్పాటు చేయవలెను. ఈ విషయంలో గవర్నమెంటు కో-ఆపరేటివ్ డిపార్టుమెంటు సెలెక్టర్ బ్యాంకులు తగు శ్రద్ధ తీసుకొని ఇట్టి సొసైటీలు ఏర్పాటు అయ్యేటట్లు చూడవలెను. ఈ రీతిగా ఇట్లు కట్టుకొనలేదే ప్రజలకు ప్రభుత్వము సొసైటీ రి: మండేవ్ పై వారికి ఉచిత గ్రామును ఇవ్వవలెను ఈ సూచనలను ప్రభుత్వము తగు శ్రద్ధతో పరిశీలించవలెనని మనవి చేస్తూ ఇంతటిలో విరమించుకొంటున్నాను.”

\* THE HON. SRI D. SANJIVAYYA :—“ Mr. Speaker, Sir, I am really thankful to all those Members who took part in this debate relating to Demand XX—Co-operation. As many as eleven members have taken part in this debate, and I am really happy to say that much of the criticism levelled is by way of constructive criticism to improve the working of this Department in this State of Madras. Dr. K. B. Menon, the Leader of the Socialist Party, has been emphasising the fact that the producer-cum-consumer societies have become more or less monopolies of a particular political body in Malabar district. I think he had in his mind the Congress Party.”

DR. K. B. MENON :—“ No, I had in my mind industrialists and feudalists.”

\* THE HON. SRI D. SANJIVAYYA :—“ I am sorry. The hon. Member says that he did not have that in his mind, and I am really thankful to him for the correction he made. I am told that he meant industrialists and feudalists. Anyway, I am one of those who feel that these societies should never become monopolies of any class or any community or any other body. He has also been emphasising one fact, and that is, that corruption is rife and



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rampant and embezzlement is going on on a large scale in these societies. Here, I must bring to the notice of hon. Members that these societies are autonomous bodies. So, any misappropriation of fund or any other offence committed should first be looked into by the society itself, that is, by the Board of Directors or the Management Committee, who should take suitable action in the matter. If necessary, Government also, possibly would go to the rescue of the Board of Directors to take suitable action.

“ There is one other point which the hon. Member raised. That was that one and the same person had been holding several offices. Probably that is not desirable. But we have to examine the legal position. That is, can we prevent a person from becoming a director in more than one institution? I do not know whether there is any legal bar to that. Still I shall see that the position is examined, and if possible, we will prevent such a thing.

“ One other point which was raised by the hon. Member, Dr. K. B. Menon, was that membership was refused by certain societies to particular persons. The power to admit members is entirely vested in the Board of Directors and the General Body. There is one other thing, and that is a constitutional position. He asked, ‘ Can a person be prevented from becoming a member of any institution? ’ On this point, I am sorry to tell the House, that I am not sure of the constitutional and legal position. Anyway, all these things will be taken into consideration, proper examination will be made and, of course, suitable action will follow. Sir, the hon. Member, Dr. K. B. Menon, was also telling the House that non-officials who had been in charge of these societies were not really honest; most of the secretaries and presidents, after having misappropriated huge sums of money, had been absconding. On the other hand, there is my friend over here, now not present, who has said, that the non-officials are the most fittest (if I may use the Shakesperian double superlative term) persons to run these societies and officials should have no desire of interfering with these societies. He complains that the Registrar of Co-operative Societies has been forcing a Deputy Registrar here and a Sub-Registrar or a Senior Inspector there and all that, thus putting these societies to great expenses and loss. I have to deny the charge made by the hon. Member. I do not know why he persists in his remark. It was only the other day, in reply to an interpellation by him, I informed him that officials were not being dumped on these societies. I cannot understand why he is still repeating it. On the other hand, there have been repeated requests by the societies for the loan of the services of these officers, so much so, the department is working now with a shortage of experienced men.

“ Then, Sir, with regard to the collection of audit fees and supervision fees, he said, that the Government had no right to collect them and that there was no legal sanction behind it. Sir, it is a fact that Government are collecting such fees; we will examine the legal position and we shall soon take a decision.

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"The hon. Gentleman, Mr. Pragada Kotaiah, who is the champion of the cause of handloom weavers, has been telling the House that the unlimited character of these credit societies should be changed into limited one, that is, the liability of these societies should be limited to the share capital contributed by the members. Probably that was in his mind when he made his speech. Government will examine the question. He also said that the number of primary land mortgage banks that were functioning in this State was only 129 and that it was not enough. I agree. But, at the same time, I have to inform him and also the House that there are certain pre-requisites to be fulfilled to start land mortgage banks. They are: (1) there must be a good number of indebted ryots in the area; (2) the land must be a suitable land for mortgage purposes, and (3) it is a most important factor, there must be proper human material available. By it, I mean, that there must be enthusiastic and eager young people who can work these institutions, with a good amount of zeal and interest.

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"The hon. Gentleman, Sri Kotaiah, also complained that there was inordinate delay in giving loans to the borrowers. I will certainly find out the lacuna in this system of work and see that it is rectified. Coming to his own subject of handlooms, he said that the handloom weavers were put to great difficulty on account of the fact that the primary weavers' co-operative societies were refused loans, or, rather when they approached the Central Banks, they were not given loans. I said a few days ago that, according to the new scheme introduced by the Government, the Government guarantee the loan that is to be advanced by the Central Banks and I see no reason why these Central Banks still refuse the loans. He has also suggested . . . . (The hon. Member, Sri Pragada Kotaiah, was seen rising.) I am not yielding unless the hon. Member rises on a point of order. He has also suggested that a Finance Corporation should be set up for cottage industries and that a Sub-Registrar should be put in charge of this branch, and that work in regard to this branch should be improved. I thank the hon. Member for this very valuable suggestion. We will certainly look into it and see whether any useful things could be done.

"With regard to the producer-cum-consumer stores in Malabar, the hon. Member, Sri V. Sankaranarayana Menon, said that these institutions had been built up with great care and at a heavy cost and that, therefore, these institutions should not be allowed to die away. I assure him, Sir, that the Government will certainly see to it that these institutions are not allowed to fade away. The Government will certainly reorganize them and, if possible, convert them into multi-purpose societies so that they may be useful to the members who have been responsible for organizing such societies. Sir, I have nothing more to say and I think I have covered many points—probably not all—but I can say that I will consider all the suggestions that have been made and proper action will be taken on them. Thank you, Sir."

MR. SPEAKER:—"The hon. Member Sri S. C. C. Anthony Pillai is not here and, unless some other hon. Member presses the cut motion, I take it that the cut motion has been withdrawn."

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SRI S. T. ADITYAN :—“ Sir, I press the cut motion.”

MR. SPEAKER :—“ I am now going to put the cut motion standing in the name of the hon. Member, Sri S. C. C. Anthony Pillai, to vote. The question is—

‘ That the allotment of Rs. 77,81,200 for Co-operation be reduced by Rs. 100. ’ ”

The cut motion was lost.

MR. SPEAKER :—“ I shall now put the Demand to the vote of the House. The question is—

‘ That the Government be granted a sum not exceeding Rs. 77,81,200 under Demand XX—Co-operation. ’ ”

The Demand was carried and the Grant was made.

### (3) DEMAND XVIII—AGRICULTURE.

\* THE HON. DR. R. NAGAN GOUDA :—“ Mr. Speaker, Sir, on the recommendation of His Excellency the Governor, I move—

*‘ That the Government be granted a sum not exceeding Rs. 3,88,74,300 under Demand XVIII—Agriculture. ’*

“ Before explaining the scope of the Grant and the policy, I may say a few words about the adequacy of the Grant. The Budget Estimate of Rs. 389 lakhs is about Rs. 100 lakhs more than the Budget Estimate for 1951-52. The expenditure under this Grant has been increasing from Rs. 105.7 lakhs in 1946-47 to Rs. 289 lakhs in 1951-52, that is, in the course of five years, and this year it has come to Rs. 389 lakhs. Some may consider that this Grant is too much. To them I would point out that a sum of Rs. 389 lakhs for our State, in which the net area of crops sown is about 350 lakhs of acres, cannot be considered too much. The per acre expenditure works out to about only a rupee. If we take the population into consideration, the per capita expenditure will be far less, and probably it will be only half a rupee. The increase in expenditure during the past few years under this head is partly due to the expenditure on Grow More Food Schemes and largely due to the purchase of agricultural machinery, the capital expenditure on which is for some reason or other shown under the Revenue Account. If we exclude this capital expenditure, the expenditure for normal administration will be far less. Honourable Members will agree that this expenditure is by no means extravagant, considering the facts that agriculture is the basic industry which provides food for the community and raw products for industry and that the Agricultural department is one of the most important branches of administration. I know that there are some others who consider that the expenditure on agriculture is inadequate, compared to the expenditure of certain other departments. The expenditure of about 389 lakhs out of a total expenditure of the State under Revenue Account of Rs. 6,690 lakhs works out to less than 6 per cent. To such critics, I should perhaps explain that the Demand